

Agenda Page 108, Issue 120
Department of Alcohol and Drug Programs—Item 4200
Proposition 36 Reauthorization Funding

May 31, 2006

We recommend approval of the Assembly funding level and adoption of trailer bill language:

Notwithstanding any other provision of law,

1) and notwithstanding any previous action of the California Department of Alcohol and Drug Programs (ADP), when ADP allocates funds appropriated for this item, ADP shall withhold from any county's allocation the amount of funds previously allocated to that county from the Substance Abuse Treatment Trust Fund remaining unencumbered, up to the amount that would otherwise be allocated to that county. The ADP shall allow a county with unencumbered funds to retain a reserve of 5 percent of the amount allocated to that county for Fiscal Year 2005-06 from the Substance Abuse Treatment Trust Fund.

2) The ADP shall allocate three quarters of the amount withheld pursuant to paragraph 1 in accordance with its current regulations, but taking into account the withhold required by paragraph 1. This allocation shall be made concurrently with the allocation of funds appropriated for this item, if feasible.

3) The ADP shall reserve one quarter of the amount withheld pursuant to paragraph 1 until all counties have submitted final actual expenditures and shall then allocate the funds reserved to adjust for actual rather than projected unencumbered funds, to the extent that the amount reserved is adequate to do so. Any balance of funds not reallocated pursuant to this paragraph shall be allocated in accordance with paragraph 5.

4) If ADP determines from actual expenditures that more funds should have been withheld from any county than were withheld, ADP shall adjust any allocations pursuant to paragraph 5 accordingly, to the extent possible. If one or more counties do not report actual expenditures in a timely manner, ADP may in its discretion proceed with the available information and may exclude any nonreporting county from any allocations that may occur pursuant to this paragraph.

5) If revenues to the Substance Abuse Treatment Trust Fund are sufficient to create additional allocations to counties, through reconsideration of unencumbered funds, audit recoveries, or otherwise; the Director of Finance may authorize expenditures for ADP in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefore is provided to the chairpersons of the fiscal committees in each house and the Chair of the Joint Legislative Budget Committee (JLBC), or not sooner than whatever lesser time the Chair of the JLBC, or his or her designee, may in each instance determine.

6) The ADP may implement paragraphs 1, 2, 3, 4, and 5 above by All County Lead Agency letter or other similar device, and need not comply with the rule making requirements of Division 3, Part 1, Chapter 3.5 of the Government Code.

7) This article shall remain operative only until July 1, 2007, and as of that date is repealed, unless a later enacted statute, that is enacted before July 1, 2007, deletes or extends that date.